Sucretary's Office

LUKAS, NACE, GUTIERREZ & SACHS

CHARTERED

11 II NINETEENTHSTREET. N.W. **SUITE 1200** WASHINGTON, D.C. 20036 (202) 857-3500

CONSULTING ENGINEERS ALI KUZEHKANANI LEROY A. ADAM LEILA REZANAVAZ

OF COUNSEL JOHN J. MCAVOY J.K. HAGE III+ LEONARD 5. KOLSKY*

> TELECOPIER (202) 857-5747

Email: Ings@fcclaw.com http://www.fcclaw.com

WRITERS DIRECT DIAL

RUSSELLD LUKAS DAVID L NACE THOMAS GUTIERREZ ELIZABETH R SACHS GEORGE L LYON, JR JOELR KASWELL PAMELA L. GIST DAVID A LAFURIA MARILYN SUCHECKI MENSE **B** LYNN F RATNAVALE TODD SLAMOWITZ DAVID M BRIGLIA ALLISON M JONES

STEVEN M CHERNOFF

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* NOT ADMITTED IN D.C.

April 8. 2003

Via Electronic Mail

Thomas Buckley, Esq. Wircline Competition Bureau Federal Communications Commission 445 12th Street, S.W. Washington. DC 20554

FOR BALL COMMUNICATIONS COMMISSION DEFECT OF THE SECRETARY

HECEIVED

APR - 8 2003

CC Docket No. 96-45 Re Highland Cellular. Inc.

Petition for Designation as an ETC in the Commonwealth of Virginia

Dear Mr. Ruckley:

We write in response to your request for additional information regarding the petition of Highland Cellular, Inc. ("Highland") for designation as an eligible telecommunications carrier ("ETC") in the Commonwealth of Virginia pursuant to 47 U.S.C. § 214(e)(6). Specifically, you requested (1) information to support Highland's discussion of "wide local calling areas" on p. 17 of its Petition; and (2) a description of the company's commitment to construct facilities to extend service to unserved or underserved areas.

A. Local Calling Areas

As described below, even the smallest local calling area offered to Highland's subscribers is significantly larger than those provided tinder the tlat-rate local service packages offered by the ILECs iii the vicinity of Highland's proposed ETC service area.

At the outset, we wish to clarify that "local calling area" means the geographic area within which a customer may terminate calls originating from his or her "home area" without incurring per-minute long distance charges. The term "home area" signifies the geographic area in which a mobile subscriber may travel and originate calls without incurring per-minute

Thomas Buckley, Esq April 8, 2003 Page 2

rouming charges. (The "home area" for all Ilighland customers is the 8-county area covered by its cellular license.)

Highland is the A-side cellular licensee in the Virginia-2 (call sign KNKQ415) and West Virginia-7 (call sign KNKN618) Rural Service Areas ("RSAs"). The combined service territory covered by Highland's two cellular authorizations comprises Fayette, Greenbrier, Mercer. Monroe. Raleigh and Summers counties in West Virginia, and Bland and Tazewell counties in Virginia. This X-county service territory comprises the "home area" in which all Highland customers may place calls without incurring roaming charges.

This 8-county area is also the smallest local calling area offered by Highland, giving <u>all</u> customers the ability to make toll-free calls to any of the 43 wire centers (or portions thereof) that are within Highland's licensed service territory. Highland also offers a statewide rate plans, allowing for toll-free calls to numbers anywhere in West Virginia.' Highland's customers may also select from rate plans providing toll-free calling anywhere within a 4-state region consisting of Virginia. West Virginia, Pennsylvania and Ohio, or a 21-state region largely covering the East Coast. Finally. Highland offers nationwide rate plans with toll-free calling to numbers anywhere in the contiguous U.S.

In short. Highland's customers may choose from local calling areas consisting of (I) Highland's 8-county service territory, (2) the entire state of West Virginia plus Bland and lazewell counties in Virginia. (3) a 4-state region surrounding the home area, (4) a 21-state East Coast area. or (5) the contiguous U.S.

Based on a review of tariff information currently available on the web site of Verizon South. Inc. - Virginia ("Verizon"), Highland believes that even its smallest local calling area is substantially larger than the largest local calling areas offered by ILECs in the vicinity.' According to the Verizon tariff, the size of the local calling area depends on the wire center in which a given customer resides. Copies of the relevant Verizon tariff pages, highlighted for ease of reference, are attached.

A West Virginia-wide local calling area is of significant value to many Virginia consumers in Bland and Tazewell counties, since communities in these areas are essentially border towns and generally have close ties with West Virginia.

⁻ See Veriron South. Inc., General Customer Services Tariff. Section 3 (Basic Local Exchange Service) available at https://retailgateway.bdi.gte.com:1490/cyberdocs.asp?optState+VA. Highland has chosen Veriron for the purposes of this analysis because Veriron is likely to offer larger local calling areas than those offered by the substantially smaller ILECs whose territory Highland serves. While Verizon has recently sought to make changes to certain of its local calling areas in Virginia, Highland has not studied these filings and has limited its analysis to the Veriron tariff available on Veriron'? web site.

Thomas Buckley, Esq. April 8, 2003 Page 3

While Highland's smallest local calling area consists of all or part of 43 wire centers in two states, the largest local calling areas available to Veriron's customers who reside within Highland's proposed ETC service area — specifically, those residing in the Pocahontas and Richlands wire centers — consist of only 8 wire centers. Verizon customers elsewhere in the relevant area have smaller areas: Bluefield (7 wire centers), Jewell Ridge (5), Rocky Gap (5), Tazewell (7). No larger flat-rate local calling area appears to be available, as Verizon's extended area calling service appears to have been discontinued.

Although the majority of Highland's licensed service territory is located in West Virginia, even the Virginia portion of its smallest local calling area is comparable to or larger than the broadest ILEC local calling areas. Specifically, Highland's subscribers may place calls to all 10 of the Virginia wire centers that are wholly or partially covered by its service territory. Verizon subscribers living in the Richlands exchange are limited to a total of 8 wire centers, all in Virginia. Veriron subscribers living in the Pocahontas exchange are limited to just 3 Virginia mire centers; the rest are in West Virginia.

In sum. based on Highland's review of currently available tariffs, the ILECs in the vicinity of Highland's proposed ETC service area offer heir customers significantly smaller local calling areas than those offered by Highland. and none of them offers a statewide. regional or nationwide local calling area as Highland docs.

B. Build-out Commitments.

Highland's existing facilities within its Virginia service territory cover the main towns and roadways within Bland and Tazewell counties. Highland currently has seven cell sites within these counties with three additional sites planned to fill in the coverage along 1-77 and Virginia Route 460. Many of the towns and roads outside of the main corridors are extremely rural, with mountainous and leafy terrain. Although Highland has demand from customers within these areas, the company has no plans to construct additional facilities in the absence of high-cost support.

Access to high-cost support will allow Highland to build as many as three new cell sites in the near future to increase its coverage and meet consumer demand in these areas, and the company is prepared to commence site acquisition, execution of an equipment purchase order, and related Facilities acquisition at the earliest possible date upon receipt of support. Specifically, with receipt of high-cost support. Highland plans to build facilities to the following areas:

 Pocahontas, Boissevain and Falls Mills are likely to be serviced by one cell site. Thomas Buckle). Esq April 8, 2003 Page 4

- A cell site south of Tazewell would provide coverage to the town of Asberrys.
- A cell site north of Tazewell would provide coverage to the towns of Adria, Horsepen and Bishop.

All of the areas identified above are in remote regions of Highland's proposed ETC service area. High-cost support invested there will significantly improve the quality of service that customers will receive. and will promote the universal service objective of increasing access to telecommunications service in unserved and underserved areas. Highland will use high-cost support to iinprove service to these areas, and it will continue to seek out and invest in areas where service quality needs to be improved.

Once again, we appreciate the opportunity to present this supplemental information. Should you have any questions or require any additional information, please contact undersigned counsel directly.

Respectfully submitted,

Highland Cellular, Inc

By: M. Chuy

David LaFuria

Steven Chrnoff

Its Counsel

cc: Eric Einhorn, Esq.

Mark Seifert, Esq.

Anita Cheng, Esq.

Cara Voth, Esq.

Marlene H. Dortch. Secretary (by hand)

Enclosure

VERIZON SOUTH INC. VIRGINIA

Section 3
Sixth Revised Page 6
Cancels Fifth Revised Page6
EFFECTIVE: April 2,2002

ISSUED: BY:

March 1, 2002 President Richmond, Virginia

\$3. BASIC LOCAL EXCHANGE SERVICE

S3.2 Flat Rate Service (Continued)

S3.2.3 Rates (T)

- a The rates shown below are billed monthly in advance A customer's billing cycle. regardless of the number of days in the month is considered to be **thirty** (30) days.
- b The Automatic Access Line 1-10 Lines rate applies to the first ten (1st 10) lines and the 11+ Lines rate applies to the eleventh and over lines, i.e., if a customer has 18 PEX lines, the 1-10 Lines rate applies to the first ten lines and the 11+ Lines rate applies to the eleventh through the eighteenth lines.
- c See Section S2.6 for rules and regulations pertaining to the movement of exchanges to a different Rate Group.

	Rale	individual A		Automatic A		
GSEC/IOSC	Group	Residence R1/74864	<u>Business</u> B1/11135	1-10 Lines AALB/11823	11+ Lines AALB11+/10280	
Alberta	4	\$ 1042	\$ 21 96	\$4463	\$37 94	
Allwood	9	14 49	32 15	65 12	55 35	
Amherst (includes Sweet Briar)	8	13.65	30.06	61.03	51.88	
Appomatlox	8	13 65	30 06	61.03	51 88	
Arcola ELS Adder?	10	15.45 +.55 16.00	34.17 <u>+1 22</u> 35.39	69 29 <u>+2 47</u> 71.76	58.90 <u>12.1</u> 0 61.00	
Barnesville	6	11 92	25.96	52.82	44.90	(1)
Big Prater	5	11 19	23 98	48.81	41.49	
Big Rock	5	11 19	23.98	48.81	41.49	
Bluefield	6	11.92	25.96	52.82	44.90	
Bowling Green	7	12.76	28.05	56.92	48.38	(1)
Eoydton	5	11.19	23.98	48 81	41.49	(1)
Boyhins	6	11.92	25 96	52.02	44.90	
Bridgewater	0	13 65	30.06	61.03	51.88	
Broadway	8	13 65	30.06	61.03	51.88	

Note: Arcola Extended Local Service (ELS) adder provides for unlimited calling to Washington, D C

VERIZON SOUTH INC. VIRGINIA

ISSUED: BY;

March 1, 2002 President Richmond, Virginia Section 3 Fourth Revised Page 8.1 5 Third Revised Page 8.1 FECTIVE: April 2, 2002

\$3. BASIC LOCAL EXCHANGE SERVICE

\$3.2 Flat Rate Service (Continued)

S3.2.3 Rates (Continued)

	Rate	Individual A Line	Access	Automatic Acce		
GSEC/I	Group	Residence R1/74864	Business B1/11135	1 .10 Lines AALB/11823	II 1 Linec AALB11+/10280	
Hinton	8	\$1365	\$ 30.06	\$ 61.03	\$ 51.88	(T)
Holland	10	15 45	34.17	69.29	58.90	
Hurley	5	11 19	23 98	48.81	41.49	(T)
Independent Hill	10	15 45	34.17	69.29	58.90	
Irvington	5	11 19	23.98	48.81	41.49	(1)
lvor	7	12 76	28.05	56.92	48.38	
Jarrall	5	11 19	23.98	48.81	41.49	(1)
Jewell Ridge	6	11.92	25.96	52.82	44 90	

VERIZON SOUTH INC. VIRGINIA

ISSUED: March 1, 2002 BY: President Richmond.Virginia Section 3 Fifth Revised Page 9.1 Cancels Fourth Revised Page 9.1 EFFECTIVE: April 2, 2002

S3. BASIC LOCAL EXCHANGE SERVICE

S3.2 <u>Flat Rate Service</u> [Continued)

S3.2.3 Rates (Continued)

	Rate	Individual <i>F</i> Line	Access	Automatic Acces (PBX Trur		
GSEC/IOS	<u>Group</u> SC:	Residence R1/74864	<u>Business</u> B1/11135	1-10 <u>Lines</u> AALB/11823	11+ Lines AALB11+/10280	
Occoquan (includesWoodbndge)	10	\$15.45	\$34.17	\$ 69.29	\$58.90	(T)
Old Church	10	1545	34 17	69.29	58.90	(1)
Pamplin	9	14 49	32 15	65.12	55.35	
Pocahontas	6	11 92	25 96	52.82	44.90	
Port Royal	8	13 65	30 06	61.03	51.88	
Princess Anne (includes Pungo and Ship	10 pps Corner)	15 45	34 17	69.29	58.90	

VERIZON SOUTH INC. VIRGINIA

Section 3 Fifth Revised Page 10 Cancels Fourth Revised Page 10 EFFECTIVE: April 2,2002

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S3. BASIC LOCAL EXCHANGE SERVICE

\$3.2 <u>Flat Rate Service</u> (Continued)

S3.2.3 Rates (Continued)

Individual Access Automatic Access Line

	Rate	Individual Access Automatic Access Line (PBX Trunk)				
GSEC/IOSC	ruio	Residence R1/74864	<u>Business</u> B1/11135	1-10 Lines AALB\11823	11+ Lines AALB11+/10280	
Raphine	8	\$1365	\$ 30 06	\$ 61.03	\$51.88	
Reedville	5	11 19	23 98	48.81	41.49	
Richlands	7	12.76	28 05	56.92	48.38	
Rocky Gap	7	12.76	28 05	56.92	48 38	
Saluda	8	1365	30 06	61.03	51.88	
Smithfield	10	1545	34 17	69.29	58.90	
South Brunswich	6	11 92	25 96	52.82	44.90	
Stafford	10	15 45	34 17	69.29	58.90	
Stony Creek	9	14 49	32 15	65 12	55.35	
Surry	10	15 45	34 17	69.29	58.90	
Tappahannock	8	13 65	30 06	61.03	51.88	
Tazewell	7	12.76	28 05	56.92	48 38	
Triangle (includes Quantico)	10	1545	34 17	89 29	58.90	
Wakefield	7	12 76	28 05	56.92	48.38	
Warsaw	5	11 19	23 98	48.81	41.49	
Weyers Cave	8	13 65	30 06	61.03	51.88	
Windsor	10	1545	34 17	69.29	58.90	

VERIZON SOUTH INC VIRGINIA

Section 3 Second Revised Page 23 Cancels First Revised Page 23 EFFECTIVE: May 17,2002

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Richmond, Virginia

S3. BASIC LOCAL EXCHANGE SERVICE

s3.3 <u>Extended Area Calling Service (EAC)(Service Discontinued May 17,2002)</u> (C)

VERIZON SOUTH INC VIRGINIA

Section 3 Sixth Revised Page 12 Cancels Fifth Revised Page 12 EFFECTIVE: April 2, 2002

ISSUED: BY: March 1,2002 President Richmond, Virginia

\$3. BASIC LOCAL EXCHANGE SERVICE

\$3.2 <u>Flat Rate Service</u> (Continued)

S3.2.4 Calling Areas

The rates specified in Section S3 23, entitles the "Exchange" customer to an unlimited number of calls to hislher home exchange and to the "Additional Exchanges" listed below

<u>Exchange</u>	Additional Exchanaes	}		
Alberta	Lawrenceville McKenney'	(N)		
Allwood	Amherst Big Island' Gladstone		Lynchburg' Piney River'	
Amherst	Allwood Gladstone Lovingston*		Lynchburg' Piney River*	
Appomatlox	Concord' Gladstone		Lynchburg' Pamplin	
Arcola Note 1	Alexandria/Arlington* (Includesthe Pentag Braddock' Dale City Dulles Dulles Metro Engleside' Fairfax/Vienna* Falls Church/McLean*		Herndon' Independent Hill Leesburg' Lorlon LorlonMetro Manassas Nokesville Occoquan Stafford Triangle Washington, D.C.	
Barnesvilie	Chase City Clarksville	(N) (N)	Drakes Branch Keysville	(N) (N)
Big Prater	Big Rock Davenport' Dwight Grundy	(T)	Hurley Maxie Oakwood	
Big Rock	Big Prater Dwight Grundy		Hurley Maxie Oakwood	
Bluefield	Bluefield, WV* Bluewell, WV* Bramwell, WV*		Rocky Gap Pocahontas Tazawell	
Bowling Green	Dawn King William Ladysmilh	(N) (N)	Port Royal Tappahannock	(N)

Note 1 Only Arcola customers can subscribe to Dulles Metro Service as an FX service

^{&#}x27; Non Verizon South Exchange

VERIZON SOUTH INC. VIRGINIA

BY:

ISSUED March 1,2002

President Richmond, Virginia Section 3
Fifth Revised Page 18
Cancels Fourth Revised Page18
EFFECTIVE April 2,2002

(T)

s3. BASIC LOCAL EXCHANGE SERVICE

\$3.2 Flat Rate Service (Continued)

Exchange

S3.2.4 <u>Calling Areas</u> (Continued)

 Hurley
 Big Prater
 Grundy

 Big Rock
 Maxie

 Dwight
 Oakwood

Additional Exchanaes

Independent Hill

Alexandria/Arlington*

(includes the Pentagon)

Arcola

Haymarket

Herndon'

Lorlon

Braddock' Lorton Metro
Dale City Manassas
Dulles Nokesville
Dulles Metro Occoquan
Engleside' Stafford
Fairfax/Vienna* Triangle

Falls Church/McLean*

Irvington Kilmarnock

Lively Saluda

(N)

Ivor Courtland Wakefield Franklin Windsor

Smithfield

Jarrall Capron (N)

Empona I Stony Creek (N)

Jewell Ridge Dwight Oakwood

Keerletown Bergton' Grottoes

Bndgewater Hamsonburg
Broadway Hinion
Dayton McGaheysville
Edom Weyers Cave

Elkton

Keysville Barnesville (N) Farmville*
Charlotte Courl House Hampden Sydney'
Chase City Prospect'

Chase City | Drakes Branch (N)

Kilmarnock Deltaville (N) Lively

Healhsvilie (N) Saluda (N) Irvington

Tazewell

Irvingtor

King George Chancellot Fredencksburg'

Dahlgren

^{*} Non-Verizon South Exchange

VERIZON SOUTH INC. VIRGINIA

Section 3
Second Revised Page 20.1
Cancels First Revised Page 20.1
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March 1.2002

President

Richmond, Virginia

\$3. BASIC LOCAL EXCHANGE SERVICE

S3.2 Flat Rate Service (Continued)

\$3.2.4 <u>Callins Areas</u> (Continued)

Raphine

<u>Exchange</u> <u>Additional Exchanaes</u>

Pamplin Appomattox Lynchburg

Concord

Pocahontas Anewalt, WV* Bhersell, WV*
Bherfeld Brameet, WV*

Bluefield, WV* Mayocury, WV*

Port Royal Bowling Green Ladysmith
Fredericksburg' Tappahannock (N)

Princess Anne Cape Charles' Newport News' (includes Pungo and Chuckatuck Norfolk/Virginia Beach'

Shipps Corner)

Crittenden

Franklin

Great Bridge

Hampton*

Hickory

Holland

Control Land NC

Peninsula'

Poquoson*

Poquoson*

Smithfield

Smithfield

Whaleyville'

Knotts Island. NC Windsor

Reedville Callao Heathsville

Staunton*

Richlands Davenport* Lebanon*

Dwight Gakwood Honaker (T) Fazewell Jewell Ridge (T)

Non-Venzon South Exchange

VERIZON SOUTH INC. **VIRGINIA**

Section 3 Fifth Revised Page 21 Cancels **Fourth** Revised Page 21 EFFECTIVE April 2,2002

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March 1, 2002 President

Richmond, Virginia

\$3. BASIC LOCAL EXCHANGE SERVICE

		Driele Econe Exeminates	OLIVIOL		
\$3.2	Flat Rate Service (Continued)				
s3.24	Callins Areas (Continued)				
	Exchange	Additional Exchanges			
	Rocky Gap	Bluefield Bluefield, WV*		Brovel 707	
	Saluda	Deltaville Farnham Gloucester Hayes Irvington	(N) (N)	Kilmamock King& Queen Lively Tappahannoch	(N)
	Smithfield	Crittenden Chuckatuck Dendron Franklin Great Bridge Hampton' Hickory Ivor Newport News' Norfolk/Virginia Beach' Peninsula'		Poquoson' Portsmouth* Princess Anne Suffork* Surry Toano* Wakefield Whaleyville' Williamsburg*	
	South Brunswick	Emporia	(N)	Lawrenceville	
	Stafford	Alexandria/Artington* (includes the Pentagon) Arcola Braddock' Dale City Dulles Dulles Metro Engleside' Fairfax/Vienna* Falls Church/McLean* Fredericksburg'		Hartwood' Haymarhet Herndon' Independent Hill Lorton LorlonMetro Manassas Nokesville Occoquan Triangle	
	Stony Creek	Capmn Dinwiddie' Empona Jarratt	(N) (N)	McKenney' Petersburg' Waverly'	(N) (N)
	Surrv	Claremont Dendron Hampton* Newport News'	(T) (T)	Poquoson' Smithfield Toano' Williamsburg*	

Newport News' Peninsula'

^{*} Non-Venzon South Exchange

VERIZON SOUTH INC.

VIRGINIA

Section 3 Second Revised Page 21.1 Cancels First Revised Page 21.1 EFFECTIVE: April 2,2002

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Richmond, Virginia

S3. BASIC LOCAL EXCHANGE SERVICE

S3.2 <u>Flat Rate Service</u> (Continued)

S3.2.4 <u>Calling Areas</u> (Continued)

<u>Exchange</u>	Additional Exchanaes			
Tappahannock	BowlingGreen Coloniai Beach Farnham King& Queen King William	(N) (N)	Lively Montross Port Royal Saluda Wanaw	(N)
Täzewell	Bluefield Honaker Jewell Ridge		Pocahoritas Richlands Ricky Cap	
Triangle (includes Quantico)	Alexandria/Arlington* (includes the Pentagon) Arcola Braddock' Date City Dulles Duiles Metro Engleside' Fairfax/Vienna* Falls Church/McLean*		Haymarket Hemdon* Independent Hill Lorton Lorton Metro Manassas Nokesville Occoquan Stafford	
Wakefield	Courtland Dendron Franklin		lvor Smilhfield Waverly*	
Warsaw	Callao Farnham Hague	(N) (N)	Montross Tappahannock	(N) (N)

^{*} Non-Venzon South Exchange